

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

November 28, 2007

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TO: Internal File

THRU: Pamela Grubaugh-Littig, Permit Supervisor *pgl*
Steve Christensen, Team Lead *SLC*

FROM: Wayne H. Western, Environmental Scientist, Engineering and Bonding *WHW*

RE: Permit Area Expansion- 560 Acres, Canyon Fuel Company, LLC., Dugout
Canyon Mine, C/007/0039, Task ID #2873

SUMMARY:

On October 25, 2007, the Division received an amendment from the Canyon Fuel Company to expand their current permit area an additional 560 acres. The additional acreage is comprised of both State and Federal leases.

No additional surface disturbance is associated with this permit expansion application. Future surface disturbance associated with methane degasification wells will be addressed in subsequent permitting actions. The following analysis has been assigned a review number of Task ID #2873 for tracking purposes.

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TECHNICAL ANALYSIS:

ENVIRONMENTAL RESOURCE INFORMATION

Regulatory Reference: Pub. L 95-87 Sections 507(b), 508(a), and 516(b); 30 CFR 783., et. al.

PERMIT AREA

Regulatory Requirements: 30 CFR 783.12; R645-301-521.

Analysis:

The Permittee met the requirements of this section. The Permittee listed the additional permit acres in Section 114 of the MRP.

Findings:

The Permittee met the minimum requirements of this section of the regulations.

MAPS, PLANS, AND CROSS SECTIONS OF RESOURCE INFORMATION

Regulatory Reference: 30 CFR 783.24, 783.25; R645-301-323, -301-411, -301-521, -301-622, -301-722, -301-731.

Analysis:

Mine Workings Maps

The Permittee did not meet the minimum requirements of this section. The Permittee must include a map of all know active and abandoned mine workings within the permit boundary. Plate 5-1 does not include the additional 560 acres.

Permit Area Boundary Maps

The Permittee did not meet the minimum requirements of this section. The Permittee did not update all maps that show the permit boundaries. For example Plate 1-2 was not updated.

Surface and Subsurface Ownership Maps

The Permittee did not meet the minimum requirements of this section. The Permittee did not update the surface and subsurface ownership maps.

Findings:

The information in the proposed amendment is not considered adequate to meet the requirements of this section. Before approval, the Permittee must provide the following in accordance with:

R645-301-521.110, The Permittee will update Plate 5-1 so that it shows the entire permit area and all known active and abandoned mine workings in or near the permit area.

R645-301-521, The Permittee will update all maps in the MRP to show the addition of the 560-acre permit expansion. For example Plate 1-2 was not updated.

R645-301-521.130, The Permittee will update the ownership maps to show the landowners within the 560-acre addition.

OPERATION PLAN

COAL RECOVERY

Regulatory Reference: 30 CFR 817.59; R645-301-522.

Analysis:

The Permittee did not meet the requirements of this section. The Permittee needs to show that they will achieve maximum economic coal recovery. One tool that the Division uses to determine if maximum economic coal recovery will be achieved is the resource recovery protection plan prepared by the Bureau of Land Management.

Findings:

The information in the proposed amendment is not considered adequate to meet the requirements of this section. Before approval, the Permittee must provide the following in accordance with:

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R645-301-522, The Permittee must show that they will achieve maximum economic coal recovery on the 560-acre expansion. The Division does rely upon the Resource Recovery Protection Plan developed by the BLM in making that determination. If the Permittee included a copy of the R2P2 in the application or a letter from the BLM stating that they made a finding about maximum economic coal recovery that would help the Division make the finding.

SUBSIDENCE CONTROL PLAN

Regulatory Reference: 30 CFR 784.20, 817.121, 817.122; R645-301-521, -301-525, -301-724.

Analysis:

Renewable Resources Survey

The Permittee met the minimum requirements of this section. The Permittee conducted a renewable resource survey and determined that renewable resources exist in the subsidence area associated with the 560-acre expansion.

Subsidence Control Plan

The Permittee met the minimum requirements of this section. The Permittee agreed to expand the existing subsidence control plan to include the 560-acre expansion.

Performance Standards For Subsidence Control

The Permittee met the minimum requirements of this section. The Permittee is required to meet all performance standards for the 560-acre expansion.

Notification

The Permittee met the minimum requirements of this section. The Permittee will notify all property owners at least six months before mine within the 560-acre expansion.

Findings:

The Permittee met the minimum requirements of this section of the regulations.

MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-512, -301-521, -301-542, -301-632, -301-731, -302-323.

Analysis:

Mine Workings Maps

The Permittee met the requirements of this section of the regulations. The Permittee update Plate 5-7 to show the location of the areas of future mining associated with the 560-acre expansion.

Findings:

The Permittee met this section of the regulations.

RECLAMATION PLAN

BONDING AND INSURANCE REQUIREMENTS

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

General

Since the addition of the 540 acres does not change the reclamation plan, no changes were made to the reclamation plan or the reclamation cost estimate. Because there were no changes to the reclamation plan the Division found that there was no reason to change the bond amount.

Findings:

The Permittee met the minimum requirements of this section.

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RECOMMENDATIONS:

The Division should deny the amendment until all of the above mentioned deficiencies have been addressed.

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